



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 15, 1998

### **H.R. 1460**

#### **An act to allow for election of the Delegate from Guam by other than separate ballot, and for other purposes**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on May 13, 1998*

### **SUMMARY**

H.R. 1460 would allow the Guam Election Commission to include the office of the Delegate to the U.S. House of Representatives on the same ballot as other elected offices. In addition, the legislation would extend the U. S. Department of Agriculture's (USDA's) authority to continue shipping excess food commodities to the Marshall Islands through fiscal year 2001. Subject to appropriation of the necessary funds, CBO estimates that implementing that provision would cost the federal government about \$4 million over the 1999-2001 period. Because the legislation would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

H.R. 1460 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would impose no costs on state, local, or tribal governments.

### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 1460 is shown in the following table. Assuming appropriation of the necessary funds, CBO estimates that implementing H.R. 1460 would cost about \$4 million between 1999 and 2001.

	By Fiscal Year, in Millions of Dollars					
	1998	1999	2000	2001	2002	2003
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
Spending Under Current Law						
Budget Authority <sup>a</sup>	1	0	0	0	0	0
Estimated Outlays	1	0	0	0	0	0
Proposed Changes						
Authorization Level	0	1	1	1	0	0
Estimated Outlays	0	1	1	1	0	0
Spending Under H.R. 1460						
Authorization Level <sup>a</sup>	1	1	1	1	0	0
Estimated Outlays	1	1	1	1	0	0

a. The 1998 level is the amount appropriated for that year.

## BASIS OF ESTIMATE

H.R. 1460 would extend the Department of Agriculture's (USDA's) authority to continue shipping excess food commodities to the Marshall Islands through fiscal year 2001. CBO estimates that extending the program would cost about \$4 million over the 1999-2001 period, with annual costs beginning at just under \$1.3 million in fiscal year 1999 and rising to slightly less than \$1.5 million in fiscal year 2001. According to the department, \$581,000 was appropriated in fiscal year 1998 for the program. Of that amount, about \$525,000 is for food commodities and about \$55,000 is for administrative expenses.

The amount provided to the program has varied since it began in fiscal year 1987. According to USDA, the program received about \$1.6 million in 1987. Between 1988 and 1992, the program received, on average, about \$465,000 a year. Since fiscal year 1993, \$581,000 has been appropriated each year for the program.

The bill would require that the amount of commodities provided to the Marshall Islands reflect changes in its population that have occurred since the enactment of the Compact of Free Association in fiscal year 1986. H.R. 1460 only specifies a base year from which to calculate changes in the islands' population but not a base level of funding. Our estimate assumes that the level of funding received in fiscal year 1988—\$501,000—would be adjusted for changes in the price level and population since fiscal year 1986. (CBO estimates that the population will have increased by about 70 percent between fiscal years 1986 and 1999.)

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

### **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

H.R. 1460 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting the legislation would result in reduced election costs for the government of Guam. Based on information provided by officials from Guam, CBO estimates that these savings would amount to about \$10,000 for each election. The bill would also benefit the Marshall Islands by extending USDA's authority to continue shipping excess food commodities.

### **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

This legislation would impose no new private-sector mandates as defined in UMRA.

### **PREVIOUS CBO ESTIMATE**

On July 29, 1997, CBO prepared a cost estimate for H.R. 1460, as ordered reported by the House Committee on Resources on July 16, 1997. For the House version, CBO estimated that enacting the legislation would have no impact on the federal budget. That version, however, did not authorize the USDA to continue shipping excess food commodities to the Marshall Islands through fiscal year 2001. The House added that provision during its floor consideration of H.R. 1460.

### **ESTIMATE PREPARED BY:**

Federal Costs: John R. Righter

Impact on State, Local, and Tribal Governments: Marc Nicole

### **ESTIMATE APPROVED BY:**

Robert A. Sunshine

Deputy Assistant Director for Budget Analysis